

FACSIMILE COVER PAGE

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To : Matt Cohn**From :** David M. Cleary**Sent :** 6/22/00 at 7:16:24 PM**Pages :** 3 (including Cover)**Subject :**

Matt:

Attached is my letter to you concerning the Libby former Export Plant property.

Please give me a call to discuss at any time. My plan is to proceed to Libby after our Tuesday meeting, however, I'll be happy to meet with EPA and the city earlier or over the weekend if that would help speed this along.

Let me know what you think.

Thanks,

David Cleary

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June 22, 2000

VIA FAX

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Matt Cohn, Esq.
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Denver, CO 80202

Re: Libby MT, Export Plant Property

Dear Matt:

Thank you for returning my call so promptly. As we discussed, the mayor of Libby has just proposed that Libby sell the export plant property back to Grace. This new development may provide all parties with a more positive outcome than would otherwise result from execution of EPA's existing UAO concerning that property.

I called you in order to inquire, if, in light of this development, EPA would consider withdrawal of its UAO to Grace. I foresee several benefits to all parties concerned if this should happen. Some of these benefits would be that our work would result in an overall more protective situation, require less time, cause less of a disturbance to land and traffic to accomplish, and still reduce costs for all concerned.

Here are my ideas, which I place before you in order to assist EPA in making its decision to withdraw its UAO. The suggestions are made without benefit of communication with Grace management, and as such are subject to change. The following is what I could recommend to Grace:

A. Grace would re-obtain the property from Libby. The property would be subject to institutional controls, agreed upon by Grace and EPA.

B. There are two small areas of visible vermiculite which Grace would like to excavate to native soil. Grace would consider excavation of other areas containing vermiculite as well, on a limited basis. We can discuss these with Paul. This material would be deposited in a permitted landfill. Grace would consider covering limited areas of the property with topsoil and hydroseeding those areas. We can discuss the extent of this work with Paul.

C. Grace would demolish the existing buildings on the property to grade. This would be done solely for aesthetic reasons. Debris would be deposited in a permitted landfill.

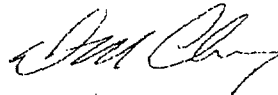
D. Grace would volunteer to do the above immediately, and not seek reimbursement from the Superfund.

As we discussed, Grace is planning to meet with EPA in Denver on Tuesday, June 27th. I'd certainly like your input regarding these ideas as soon as possible, in order to commence discussions with Libby regarding ownership of the property. If my ideas are worthy of additional discussion with EPA, we can preempt the discussions about the work plan. If not, our concerns about the recent EPA/DEQ comments can then be aired.

I don't see any reason why we couldn't complete discussions along the lines detailed above in one meeting. If we conclude successfully, I will then proceed up to Libby to talk with Mayor Berget about acquiring the property.

Thanks for the opportunity to try to change the course of the UAO activities. I look forward to hearing from you soon.

Sincerely,



David M. Cleary